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LET'S FREE THE FARMERS

In 1929, the price of wheat was falling, while general living costs were rising. Congress enacted, and President Herbert Hoover signed, the Farm Stabilization Act, authorizing the federal government to buy wheat to bolster the market. The government bought and stored 257 million bushels of wheat. That did bolster the price of wheat for a while; but the government dumped the wheat on the market in 1931 and 1932, driving the price of wheat down to the lowest level in history.

Many small family farmers, who were pinched in 1929 before the government helped them, were bankrupt by the end of 1932, *because* of that help.[1]

That was the beginning of federal farm programs.

In 1933, communists in Franklin D. Roosevelt's Department of Agriculture conceived a farm program which Congress authorized with the Agricultural Adjustment Act of 1933 (AAA).[2]

In 1936, the Supreme Court (in the Butler Case) held the AAA of 1933 unconstitutional. It *was* unconstitutional — and so was the Farm Stabilization Act of 1929, like every other piece of farm legislation the Congress has enacted since 1929. The Constitution gives the federal government no authority to regulate or subsidize farming.

Roosevelt demanded authority to "pack the Court" — to increase the number of seats on the Court so that he could appoint to it enough New Dealers to control it. Congress balked at this; but time solved the Court problem for Roosevelt. Some of the "nine old men" (as liberals called Supreme Court justices in those days) resigned, and some died. Roosevelt replaced them with socialist revolutionaries like William O. Douglas and Felix Frankfurter and with New Deal politicians like Hugo Black. Soon, New Deal socialists were in a majority on the Court.

Congress enacted the Agricultural Adjustment Act of 1938, which is even worse than the AAA of 1933. This law was approved by Roosevelt's new Supreme Court. The AAA of 1938 is the basic,

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permanent agricultural law. All subsequent agricultural laws have been amendments or additions to it.

The most memorable feature of the communist-conceived farm programs under President Roosevelt in the mid-1930's was the paying of farmers to destroy crops and animals.

President Truman proposed to solve the farm problem by amplifying the illegal governmental meddling that had caused the problem. Truman proposed the Brannan Plan: direct federal payments to give farmers a minimum annual income which officialdom wanted them to have, regardless of merit, production, market demands, or anything else. Congress rejected the Brannan Plan.

Truman got no farm program of his own, but did initiate (1949) the first International Wheat Agreement. In this treaty, a number of wheat-producing nations in the free world agreed to regulate production, price, and distribution of wheat throughout the world.

This replacing of the free market by an international cartel of bureaucrats has hurt American wheat farmers much more than it has hurt any others, because our government enforces the terms of the treaty on Americans. Other nations enforce or ignore the treaty as they please.[3]

The Eisenhower administration tried to solve the farm problem with the foreign-aid disposal operation (later called "Food For Peace" program), authorized by the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480). Under this law, we sell and give our farm products to foreign nations (some of them communist). Sales under the law are made for the local currency of receiving nations. Then, we give the currency back to those nations to use as they please.

Seven years after Congress enacted Public Law 480 (for the primary purpose of reducing our agricultural surpluses), our government had in storage surplus farm commodities worth about nine billion, 400 million dollars — almost twice as much as it had stored in 1954 when the act was passed.

Having failed to solve the surplus problem by giving our farm products to other nations, Eisenhower's administration produced a new "solution" in 1956. Instead of paying farmers to destroy crops and animals already raised, as the Democrats had done 20 years before, Republicans initiated the Soil Bank — paying owners to keep their land idle and not raise anything.

Legalized racketeering in the government's farm programs multiplied rapidly under the Soil Bank law. There were literally thousands of cases comparable to that of the Tallman case discussed in this *Report* last week — in essence, the government enabling shrewd operators to acquire big farms or ranches, plus huge cash bonuses, for doing nothing.[4]

Thought processes of political liberals are revealed in the record of the 84th Congress, which enacted the Soil Bank law in 1956, authorizing expenditure of at least 750 million dollars a year in payments to landowners for taking productive land out of use. Just before passing the Soil Bank law, the 84th Congress passed (and President Eisenhower approved) a bill authorizing the Upper Colorado River dam and irrigation project, to irrigate and put in cultivation high arid land never before cultivated.

On March 16, 1961, President Kennedy proposed a farm program devised by Dr. Willard W. Cochrane, Minnesota economist.[5]

The Cochrane Plan prescribed a supply-management system in which committees of farmers, under control of the Secretary of Agriculture (with Congress having only a negative veto vote if it disapproved), would regulate production and income of American farmers. This would have created a system resembling the collective farming in communist countries.

Congress rejected the Cochrane Plan in 1961, but did enact Kennedy's Emergency Feed Grains bill — providing for a rise in price supports for feed grains, payments in cash to farmers who agreed to reduce acreage of corn and grain sorghums by 20 to 40 per cent, and loss of eligibility for price supports on feed grains by farmers who did not participate in the acreage-reduction plan.

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In 1962, Congress again rejected Kennedy's supply-management farm plan, but converted the *emergency* feed-grains program of 1961 into a *permanent* program, authorizing the Secretary of Agriculture to support feed-grains prices (as high as 90% of parity), requiring no acreage limits or other production curtailment.

In 1962, Congress also authorized the Secretary of Agriculture to conduct a wheat referendum in 1963 to determine whether farmers wanted the supply-management system adopted for wheat.

The Kennedy Administration mobilized the resources of the federal government to get a resounding *yes* vote in the wheat referendum of May, 1963, hoping to show that America's farmers wanted high price supports and tight regimentation.[6] But the wheat farmers (despite all the prestige, power, and threats, of federal officialdom) voted *no*. Consequently, no farm legislation was passed in 1963, and none of major consequence in 1964.

Wheat farmers have never been permitted to have another referendum.

The permanent feed-grains program which Congress authorized in 1962 went into effect in 1964. The program was said to be needed because of over-production of feed grains. Yet, in 1964, when the program went into effect, Congress enacted, and President Johnson approved, a bill authorizing 47 million dollars for three irrigation projects in the Upper Colorado River Basin — projects which were intended to put 65,000 acres of land into *production of feed grains.*

The Food and Agriculture Act of 1965 has some aspects of the supply-management program which President Kennedy had been unsuccessful in getting through Congress; and it is technically different in several other ways from previous farm laws; but, *essentially*, it is the same as all the others: it put 40% of American agriculture under socialistic subsidies and controls administered by the central bureaucracy in Washington.

Federal farm programs have been intended, ostensibly, to save small family farmers. Instead, they have enriched big operators and dishonest manipulators, and have driven small family farmers off the land. Owners of big farms can profit from federal farm programs. Small farmers cannot. Hence, small farmers give up and crowd into cities, where they multiply economic and social problems, aggravating the intolerable conditions now known as "our urban crisis." Corporations and weathy individuals take over land the small family farmers abandon. Here are the cold statistics on what has happened since the federal farm programs began:

In 1930, 30.5 million Americans lived on 6.5 million farms, averaging 151 acres in size. In 1969, 10 million Americans lived on 2.9 million farms, averaging 377 acres in size.[7]

All federal farm programs have been based on the assumption that Americans produce a surplus of foods. But we never have. In the 1930's, we were buying from foreign nations the same kinds of food stuffs that American farmers were being paid to destroy. In the 1940's, 1950's, and 1960's, we were importing the same kinds of agricultural commodities that government was buying from American farmers as surplus (at a cost of billions a year), and holding in storage (with storage costs amounting to hundreds of millions a year), and paying farmers not to grow (at a cost of millions a year), and giving away abroad (at a cost of almost a billion a year).

While government was squandering our tax dollars to *curtail* agricultural production in the United States, it was giving away our tax dollars to help *expand* agricultural production abroad. The result is that America is now the largest food-importing nation in the world. Our population has become dependent for food on foreign farms, and its dependence increases every year.[8]

If present law (The Food and Agriculture Act of 1965) is not replaced this year, farm programs will revert to operating under the AAA of 1938 as amended.

On August 5, the House passed the Agricultural Act of 1970 (HR 18546), to replace the 1965 Act. The Senate passed a different version

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of HR 18546 on September 15.[9] Differences between the two versions must be resolved before the bill can be finally enacted and sent to the President. President Nixon is likely to sign whatever bill Congress sends him, although he does not like the version passed by the Senate.[10]

Some consider the new farm law a little less bad than previous laws, because it places a $55 thousand per-crop limit on payments to farmers for not farming. I do not think this limit will help. Big operators will set aside just enough acreage to get their maximum $55 thousand *on each* of the three crops covered (cotton, wheat, and feed grains). They will plant the remainder of their acreage, and get tax money from the government in price supports for what they grow.

About 60% of American agriculture has been left relatively free of *direct* government meddling, regulating, and subsidizing. That 60% is healthy and doing reasonably well; the 40% that government has directly controlled and spent billions of tax dollars on is sick and getting sicker.[1]

Obviously, the only way out is the one recommended by Farmers United (a small organization of independent farmers, with headquarters in Gilby, North Dakota). Farmers United wants *immediate termination of all federal farm programs.*[1]

You can help make a start toward electing a Congress that will repeal all federal farm legislation. This would save billions of tax dollars a year and solve the farm problem by leaving all farmers free to produce and sell in compliance with demands of the free market (which means, in compliance with demands of the total population).

Send a copy of this *Report* (and of the previous *Report*, "Farming The Taxpayers") to every candidate for the U. S. Senate in your state and to every candidate for the U. S. House in your congressional district. Ask each one how he stands on *repeal of all federal farm legislation.* Support any who unequivocally takes the *right* stand. If he is right on this issue, he will be right on most others, because federal farm programs are basic and essential in the over-all drive to convert America into a communist nation by first socializing her economy.

Send this *Report* to others and ask them to take action. *Enough* such voter action would get results. At the very least, it will have a wholesome effect on the thinking of those who do get elected, and will help prepare an informed electorate for next time.

FOOTNOTES

(1) *Farmers United For A Free Market VS Federal Government Dole,* published by Farmers United — $2.00 a copy — Gilby, North Dakota 58235; Statement submitted to the North Dakota Republican Party Platform Committee on Agriculture, April, 1970, by Farmers United

(2) *Interlocking Subversion in Government Departments,* Report of the Internal Security Subcommittee of the U. S. Senate Judiciary Committee, July 30, 1953, p. 44

(3) The International Wheat Agreement was extended several times. It was replaced by the International Grains Arrangement — worse than its predecessor — which the Senate ratified on June 13, 1968. See *1968 Congressional Quarterly Almanac,* pp. 223-224.

(4) Speech in the Senate by Senator John J. Williams, *Congressional Record,* Feb. 24, 1961

(5) *1961 Congressional Quarterly Almanac,* pp. 104-124

(6) "Wheat Referendum, 1963," *Dan Smoot Report,* April 22, 1963

(7) *Statistical Abstract of the United States: 1969,* U. S. Bureau of the Census, p. 590

(8) "Our Farmers," by Dan P. Van Gorder, *American Opinion,* Dec., 1969; *Ill Fares The Land,* by Van Gorder

(9) The Sept. 21, 1970, issue of this *Report,* "Farming The Taxpayers," recorded that HR 18546 had been approved by the Senate Agriculture Committee, but had not yet been passed by the Senate. That issue of the *Report* went to press before the Senate acted on September 15.

(10) *Congressional Quarterly Weekly Report,* Sept. 11, 1970, p. 2220

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